

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,
Debtor,

IRVING H. PICARD, Trustee for the Liquidation of
Bernard L. Madoff Investment Securities LLC,

Plaintiff,

v.

SAUL B. KATZ, et al.,

Defendants.

Adv. Pro. No. 08-01789 (BRL)

SIPA LIQUIDATION

(Substantively Consolidated)

Adv. Pro. No. 10-05287 (BRL)

11 Civ. 03605 (JSR) (HBP)

**STIPULATION AND ORDER OF VOLUNTARY DISMISSAL OF ADVERSARY
PROCEEDING WITH PREJUDICE**

Plaintiff Irving H. Picard (the "Trustee"), as trustee for the liquidation of the business of Bernard L. Madoff Investment Securities LLC under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.*, and the substantively consolidated estate of Bernard L. Madoff individually, by and through his counsel Baker & Hostetler LLP, and the Defendants, by and through their counsel Davis Polk & Wardwell LLP, hereby stipulate and agree to the following:

WHEREAS, the Trustee commenced the above-captioned adversary proceeding by filing a complaint dated December 7, 2010, as amended on March 18, 2011, in the United States Bankruptcy Court for the Southern District of New York ("Adversary Proceeding");

WHEREAS, the Defendants filed a motion to withdraw the reference of the Adversary Proceeding, which was granted by this Court by order dated July 1, 2011; and

WHEREAS, on March 16, 2012, the parties to the Adversary Proceeding ("Parties") signed a Memorandum of Understanding agreeing to a final settlement, subject to Court approval

pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure, which was filed with this Court on March 19, 2012;

WHEREAS, on April 13, 2012, the Parties entered into a settlement agreement, and the Trustee filed a motion for entry of an order pursuant to Section 105(a) of the Bankruptcy Code and Rules 2002(a)(3) and 9019(a) of the Federal Rules of Bankruptcy Procedure approving the Parties' settlement agreement; and

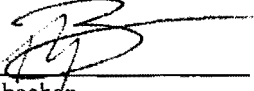
WHEREAS, on May 31, 2012, the Court entered an order pursuant to Section 105(a) of the Bankruptcy Code and Rules 2002(a)(3) and 9019(a) of the Federal Rules of Bankruptcy Procedure granting the motion and approving the settlement agreement;

IT IS HEREBY STIPULATED AND AGREED that pursuant to Rule 41(a)(1)(A)(ii) of the Federal Rules of Civil Procedure, the Trustee's claims against the Defendants in the Adversary Proceeding and the Adversary Proceeding are hereby dismissed with prejudice and without costs, fees, or expenses to any Party.

IT IS HEREBY STIPULATED AND AGREED that the provisions of this Stipulation shall be binding upon and shall inure to the benefit of the Parties and their respective successors, heirs, and assigns.


IT IS HEREBY STIPULATED AND AGREED that this Stipulation may be signed by the Parties in any number of counterparts, each of which when so signed shall be an original, but all of which shall together constitute one and the same instrument. A signed facsimile, photostatic or electronic copy of this Stipulation shall be deemed an original.

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Liquidation of Bernard L. Madoff
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Attorneys for Defendants

SO ORDERED


HON. JED RAKOFF
UNITED STATES DISTRICT JUDGE

Dated: June 6, 2012
New York, New York

